



Environmental Services Division
Land Quality Bureau

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DNR Contact: Tommi Makila at (515) 281-3142

CRUDE, GASOLINE AND DIESEL PRICES CONTINUE TO CLIMB TO RECORD HIGHS

Crude oil prices continue their surge upward, reaching a record high \$132.78 for a barrel of West Texas Cushing Sweet Crude Oil on May 21. The May 21 price is a 10.7 percent increase over April's price of \$119.90 and a 104 percent increase over the May 2007 price of \$65.08.

"Gasoline and diesel continue to reach record prices daily, and those prices are more the result of escalating crude oil prices than increased demand," said Jim Bodensteiner, an Iowa Department of Natural Resources Program Planner. "According to the U.S. Energy Information Administration (EIA), the prices we pay for gasoline and diesel are increasingly due to the higher costs of crude oil, with crude accounting for more than 70 percent of the cost we pay for fuel at the pump."

The May 21 average price of 10 percent ethanol blended mid-grade gasoline in Iowa was \$3.66 per gallon, an 7.6 percent increase from April's average price of \$3.40 per gallon and a 15.8 percent increase from the May 2007 price of \$3.16 price per gallon of the same blend.

Diesel fuel continues to post record high prices throughout Iowa and the U.S. The May 21 average price for diesel in Iowa was \$4.49 per gallon, \$0.35 higher than April's price and up 57.5 percent from the May 2007 price of \$2.85.

On May 21, natural gas was trading at \$11.83/MMBtu, up \$0.95/MMBtu from last month and \$4.23 higher than one year ago, a 55.7 percent increase. The EIA reports that working natural gas in storage as of April 25, 2008 was 1,371 Bcf, 3 Bcf below the 5-year average (2003-2007), and 255 Bcf below the level during the corresponding week last year..

A survey completed by the Iowa Department of Natural Resources on May 20, 2008, indicated that the average retail price of heating oil in Iowa was \$4.14 per gallon, \$0.37 higher than last month, and \$1.89 higher than the price of heating oil at this time last year, an 84 percent increase. The same survey found that propane is selling in Iowa for an average of \$2.15 per gallon across the state, \$0.14 higher than a month ago, and \$0.66 higher than the price at this time last year, a 44.3 percent increase.

To limit the impact of high energy prices on their wallets, consumers should make improvements to their homes' and vehicles' energy efficiency. Tips for saving energy and money at home and on the road are available at www.EnergySavingTips.gov.

10% Ethanol Average Retail Price Per Gallon -- Major Iowa Cities

Self-Serve Ethanol	5/21/08	4/23/08	Difference
Ames	\$3.65	\$3.37	+\$0.28
Cedar Rapids	\$3.65	\$3.46	+\$0.19
Council Bluffs	\$3.59	\$3.31	+\$0.28
Davenport	\$3.66	\$3.40	+\$0.26
Des Moines	\$3.63	\$3.36	+\$0.27
Dubuque	\$3.78	\$3.52	+\$0.26
Fort Dodge	\$3.64	\$3.39	+\$0.25
Iowa City	\$3.71	\$3.46	+\$0.25
Sioux City	\$3.66	\$3.40	+\$0.26
Waterloo	\$3.64	\$3.40	+\$0.24
Webster City	\$3.68	\$3.37	+\$0.31
Average Metro Price	\$3.66	\$3.40	+\$0.26

Source: Oil Price Information Service, www.opisnet.com

Motor Fuels Survey State Average Price Per Gallon

Self-Serve	5/21/08	4/23/08	Difference
Regular Unleaded with 10% Ethanol	\$3.66	\$3.40	+\$0.26
Regular Unleaded	\$3.73	\$3.46	+\$0.27
Premium Unleaded	\$3.82	\$3.58	+\$0.24
Diesel	\$4.49	\$4.14	+\$0.35

Source: Oil Price Information Service, www.opisnet.com

Heating Fuels Survey

Heating Fuel Type	5/21/08	4/23/08	Difference
Natural Gas	11.83/MMbtu	10.88/MMbtu	+\$0.95/MMbtu

Source: Wall Street Journal

Heating Fuel Type	5/20/08	4/18/08	Difference
Propane	\$2.15	\$2.01	+\$0.14
#2 Heating Oil	\$4.14	\$3.77	+\$0.37

Source: Iowa Department of Natural Resources